

# ALERT!

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## ALERT #92

TO: Department Controllers, Fiscal Officers and Other Interested Parties

FROM: Clifford W. Hall *Cliff Hall*  
State Controller

DATE: June 25, 1996

SUBJECT: *TABOR Enterprise Revenue Used For Payments For Legal Services  
Medical Expense Object Codes*

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### *TABOR Enterprise Revenue Used For Payments For Legal Services*

The Department of Law (DOL) provides legal services for specific activities that have been designated as enterprises for TABOR purposes. In a recent State Auditor's Office Report, a recommendation was made to the DOL that they should incorporate procedures into their billing process to ensure revenues received from all enterprise activities are appropriately budgeted and identified as non exempt revenue in the state accounting system.

On May 10, 1996, the DOL distributed a memorandum to all department controllers that included instructions for fiscal year 1997 legal services coding. The memorandum indicates that if you have a TABOR designated enterprise within your department or higher education institution that pays all or a portion of the fee for legal services provided by DOL, they ask that you provide separate coding and note "enterprise" next to the coding information. This is required for both existing and new legal cases. For items that you note as "enterprise", DOL will separate and establish this activity as a "division" within their internal billing system for TABOR reporting purposes only. This will allow them to isolate the TABOR designated enterprise revenue and record it correctly on the state accounting system.

To assist the DOL to correctly classify and report the fiscal year 1996 TABOR designated enterprise revenue, please review your department's or higher education institution's fiscal year 1996 legal services payments to identify if any TABOR designated enterprise dollars were used to pay for legal services. Send this information to DOL, 1525 Sherman St., 5th Floor, Denver, Colorado 80203, Attention: Kathy Newell, Controller.



Information regarding TABOR designated enterprises is included in the FY96 Closing and FY97 Opening Instructions on page 205. Please provide your assistance and cooperation in this matter. If you have additional questions, please call your Field Controller.

*Medical Expense Object Codes*

The object code for NON-MEDICAL LABORATORY & SUPPLIES was misstated in Alert #91 as code 3120. The correct code is **3130**.

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